



EPCglobal Enabling Unique Identification and Visibility

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EPCglobal Purpose



Take a global leadership role in developing and promoting multi-industry, user driven standards for utilising the EPC

Principles:

- Neutral
- Not for profit
- Committed to open and royalty free standards
- User Driven and governed (Government and NGO's often participate in the standards process)
- Part of GS1



GS1 System of Standards





GS1 around the world



■ Countries with a
GS1 Member
Organisation

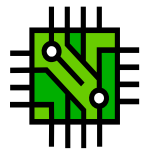
■ Countries served on a
direct basis from GS1
Global Office (Brussels)

108 Member Organisations - 150 Countries served

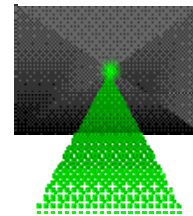
Local reach, global reach



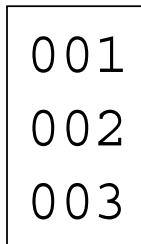
EPCglobal founding principles (2004)



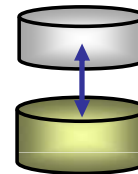
Small, inexpensive, high performance tags



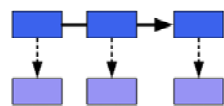
Networked, inexpensive readers



Serialized item tracking



Straightforward link with current systems



Distributed data



Global, multi-industry interoperability



Membership by region

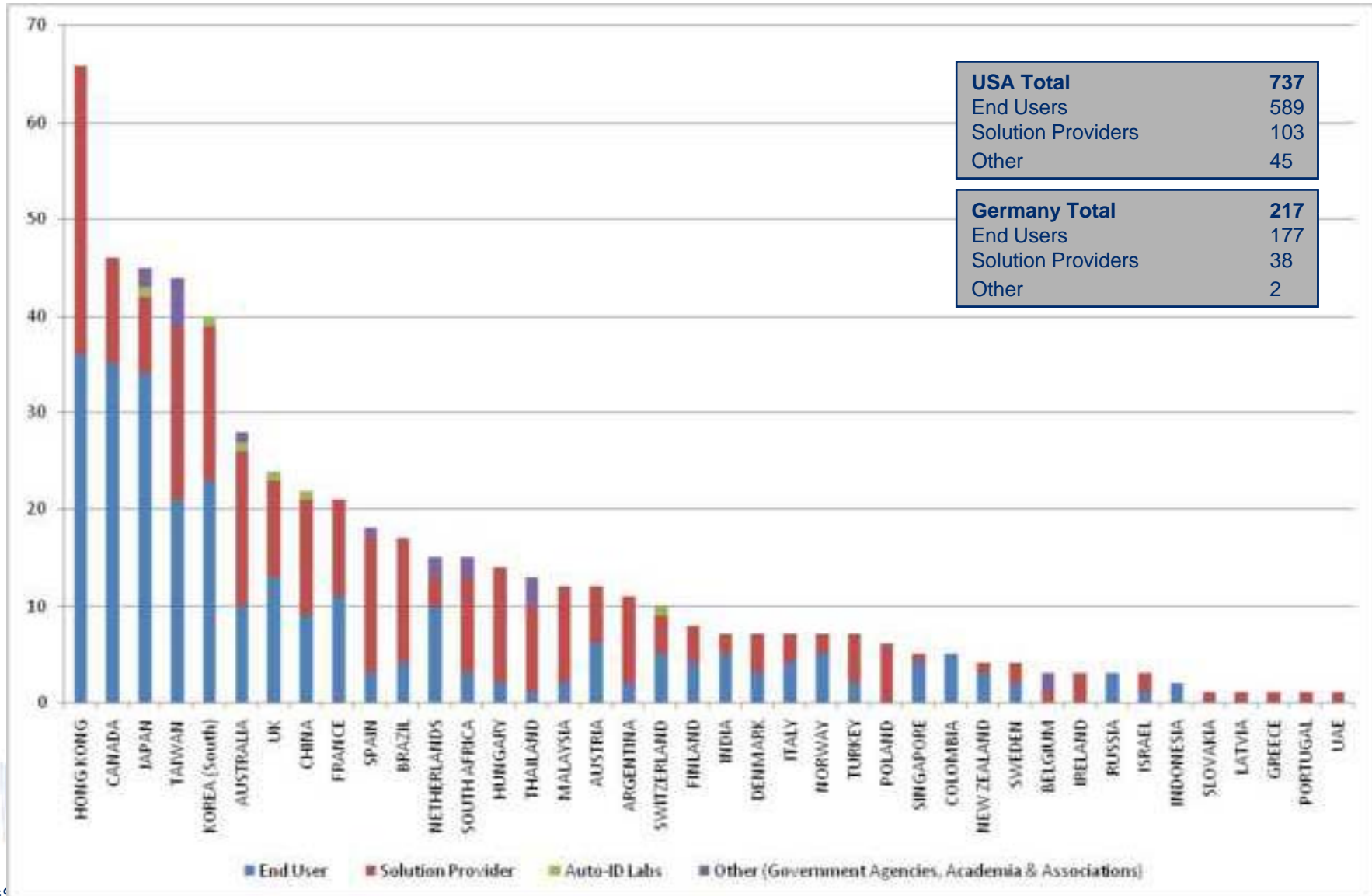
March 2009

Asia Pacific	288
Europe	390
Latin America	33
ME & Africa	19
North America	783
TOTAL	1513

Each member joins only once in the location of the global head office

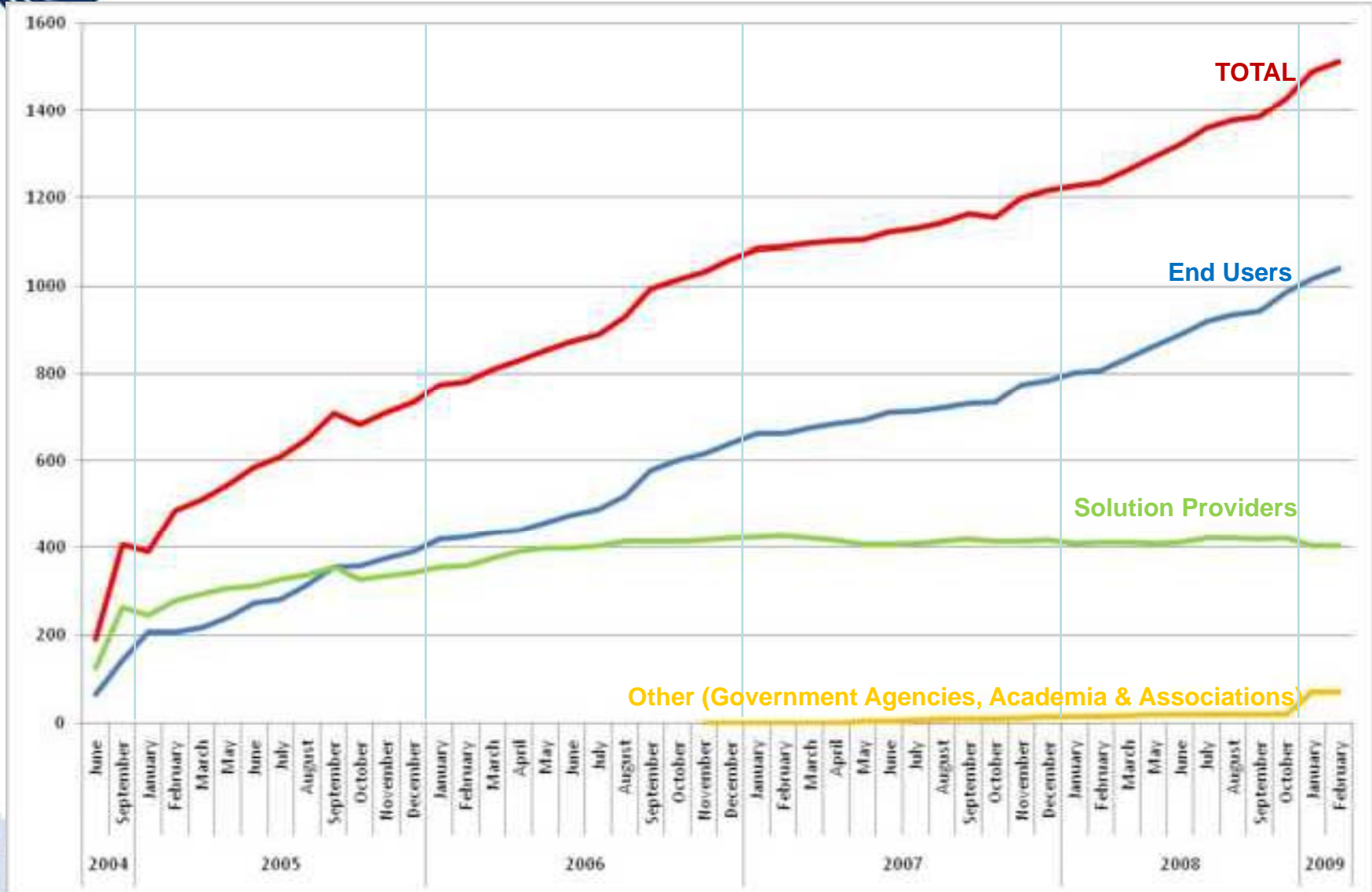


Membership spans 42 countries (March 2009)





Membership trends 2004 - 2009





Key Industry Activities (alphabetical order)

- Aerospace and Defence
- Agriculture
- Apparel, Fashion and Footwear
- Automotive
- Chemical
- Consumer Electronics
- Food and Beverage
- FMCG
- Healthcare
- Information Technology / Computers
- Media and Entertainment
- Packaging
- Publishing
- Retail Supply Chain
- Telecommunications
- Transportation and Logistics
- Utilities

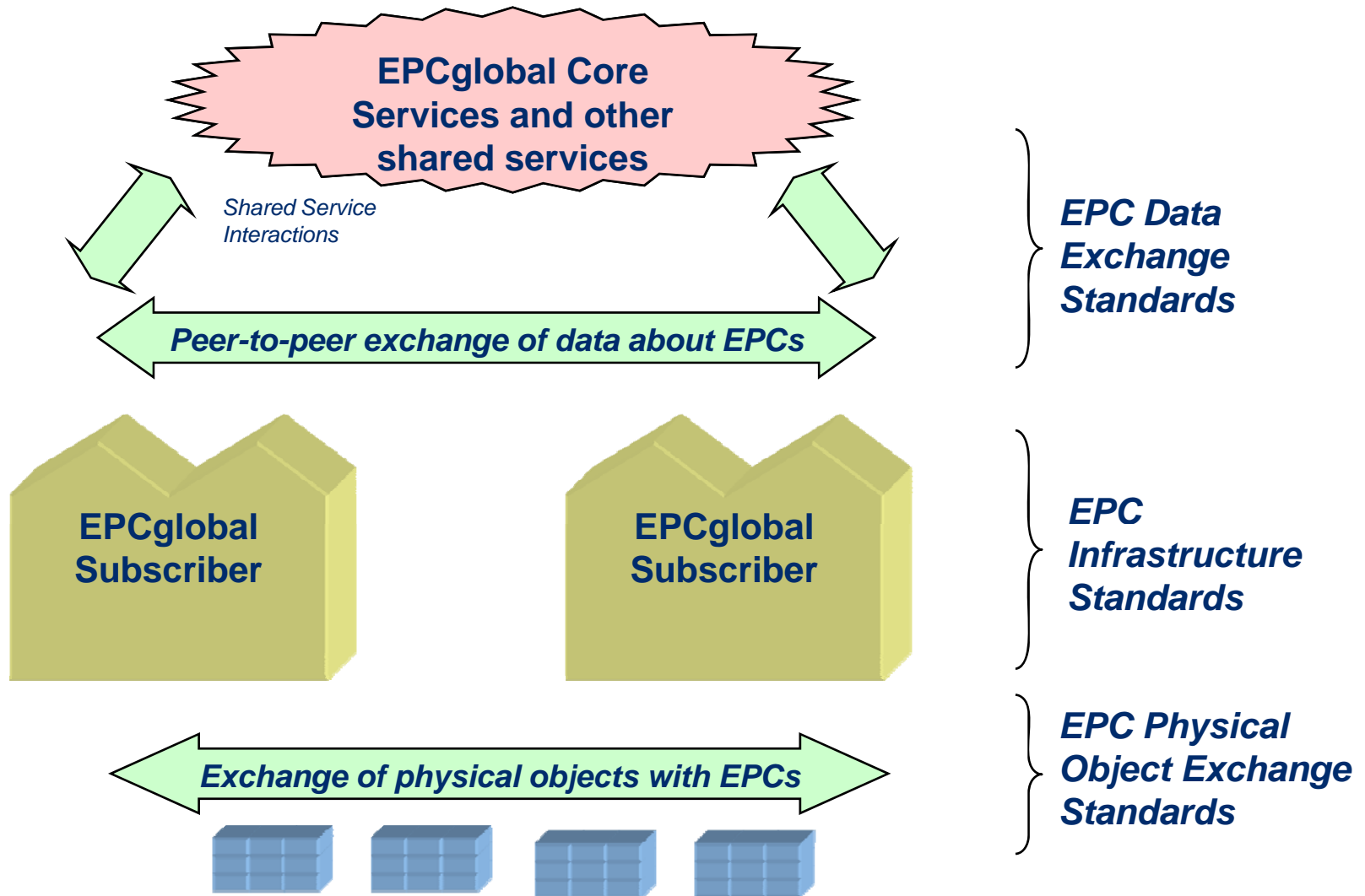


Why are Global Standard important?

- Standards reduce complexity
 - Within and between organisations
 - For H/W and S/W production and purchase decisions
- Standards reduce cost
 - Implementation
 - H/W, S/W and Integration
- Standards allows organisations to focus more on how to use the information rather than how to get information
- Certification = confidence

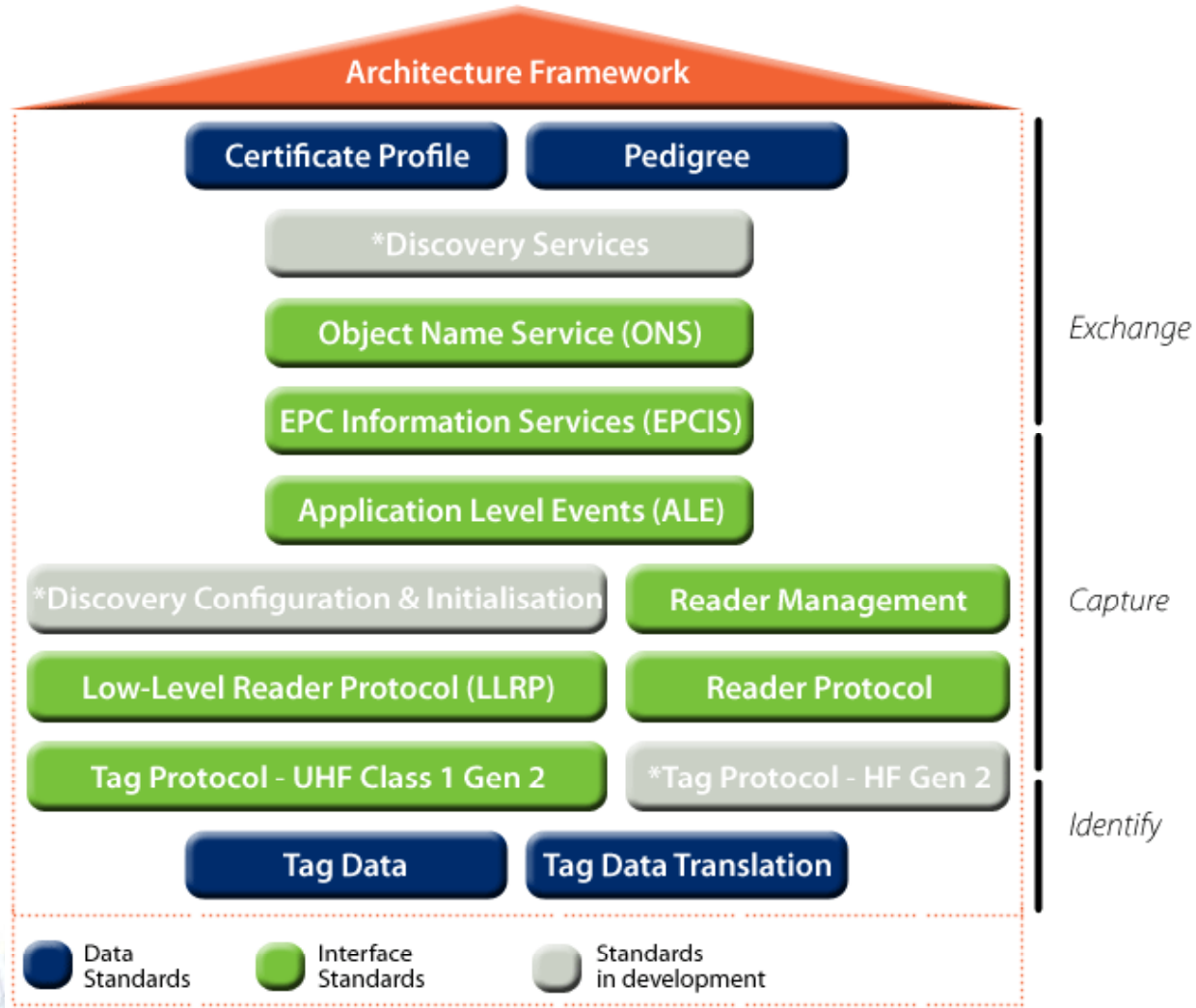


EPCglobal Standards Overview



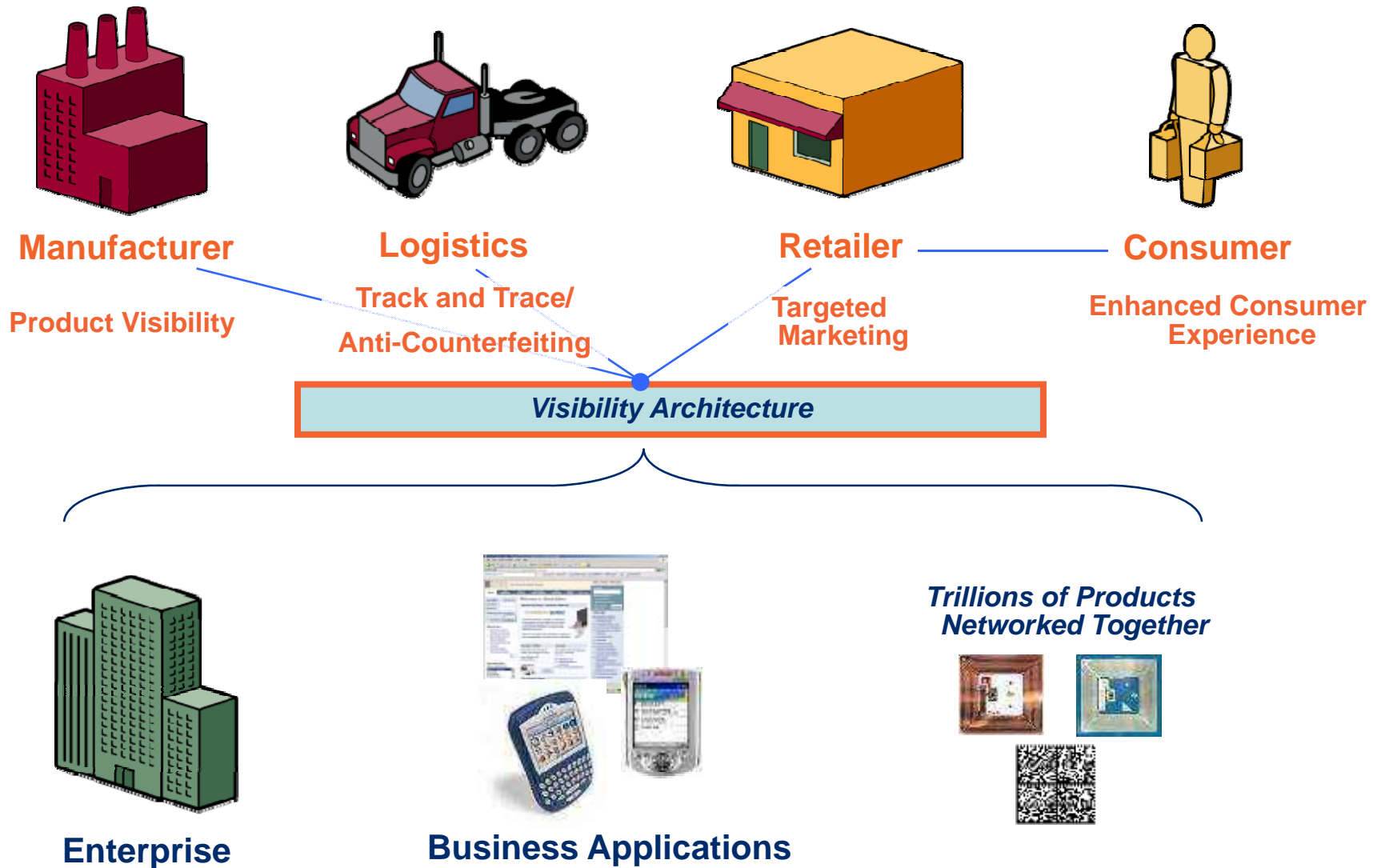


EPCglobal standards





Vision: An Interconnected World



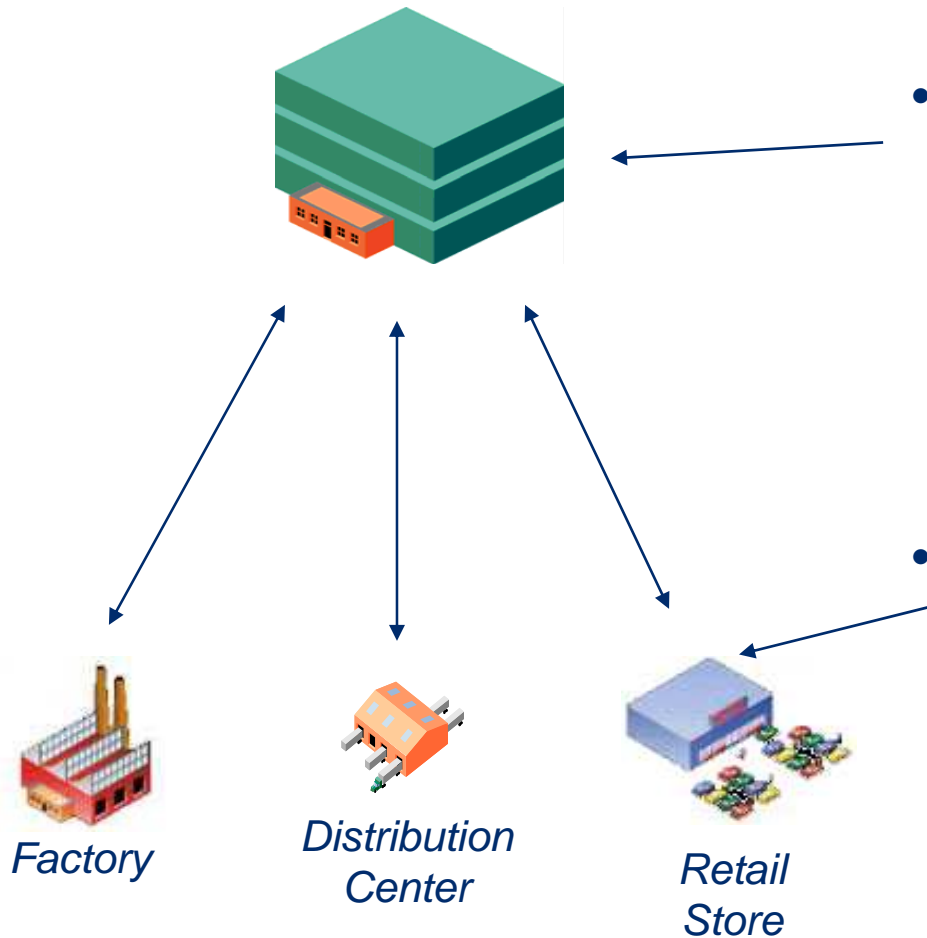


What is Visibility

- Knowing where things are or have been in time, and why;
 - not just within your own four walls, but also within supply chain partners walls
- Understanding the processes that affect the life of an object and its usage
- Providing the ability to answer a broad range of questions
 - i.e. status, current location, change of custody, etc.
- Bringing a newfound awareness of the physical world through supporting standards and systems
- **Transformation of business processes** through **global visibility** of products, assets and other “things”



Visibility into the Physical World



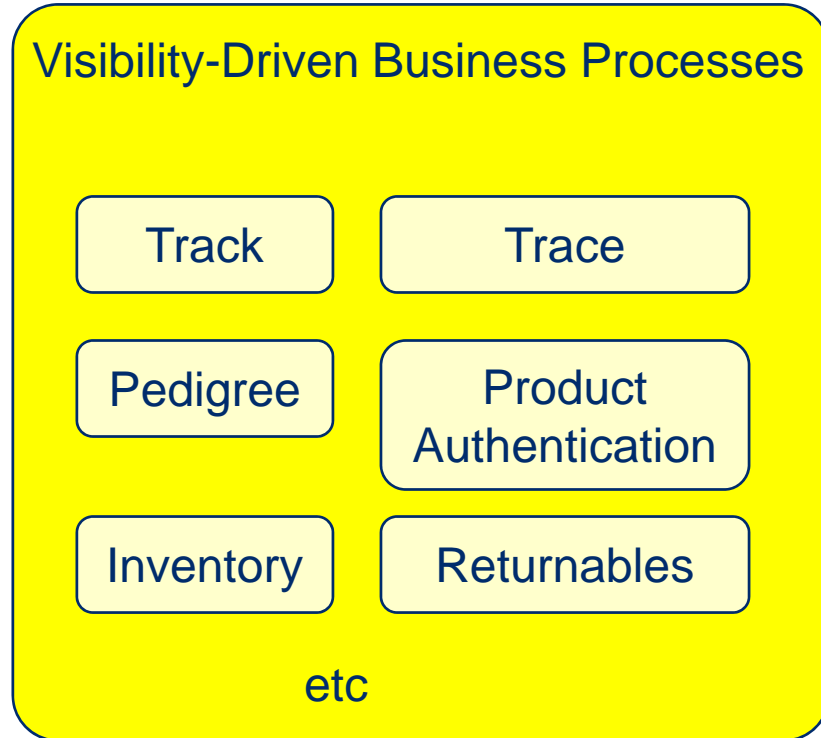
- Business decisions are made here, in the company headquarters data center

- ...but there's an awful lot of important action **here**, in the real world.

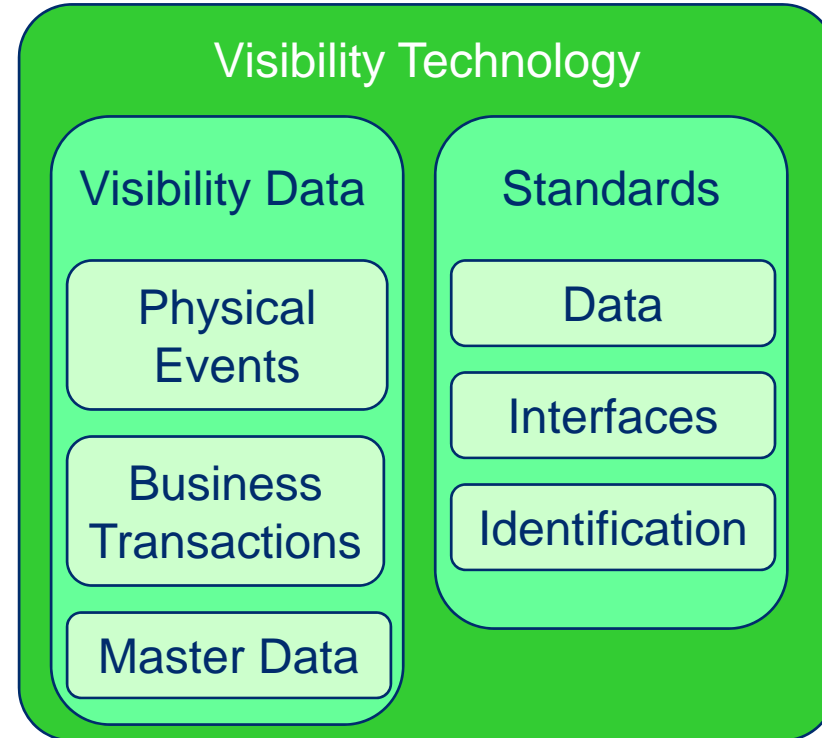
➔ Visibility into the physical world improves business processes



The Visibility Landscape



Business processes that rely upon, or are enhanced by, knowing where things are



Technology that provides to business processes knowledge of where things are



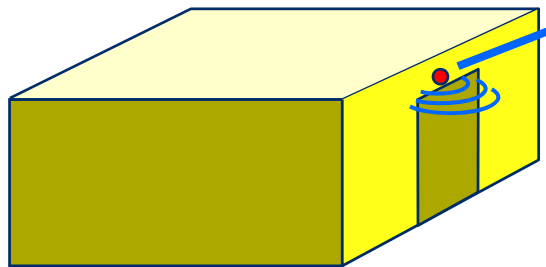
Visibility-driven Business Processes

- Tracking
 - “Where is my product *now*?”
 - Most recent observation of given physical asset(s)
- Tracing
 - “What is the history of where has my product has been?”
 - Multiple observations of given physical asset(s) through time and space
- Pedigree
 - Who has handled or had ownership of this product?
- Product Authentication
 - Is this product real or could it be a counterfeit?



Using GS1 Identification Keys in EPC

- Consider this use case:
 - Hospital storage room that holds radioactive samples
 - Safety officer needs to track what's been in the room and for how long



Visibility Data Stream at Storage Room Entrance		
Time	Object	Key
9:23am	10cc Syringe #62852	Trade Item (SGTIN)
9:52am	Pharma Tote #2528	Reusable Transport (GRAI)
10:02am	Infusion Pump #52	Fixed Asset (GIAI)
10:52am	Nurse Jones	Employee (GSRN)
11:23am	Patient Smith's chart	Document (GDTI)

- Any type of object could be “seen” and understood
 - An EPC can include any GS1 key and additional data as needed



What are EPCIS and Visibility?

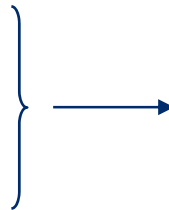
- EPCIS
 - An interface standard for exchanging event related information
 - *What ?*
 - *Where ?*
 - *When ?*
 - *Why ?*
 - Not only EPC but other identifiers
- Visibility
 - Seeing what happened and why it happened
 - Monitoring events, knowing the current or past “status” of things
 - Enabled by EPCIS and, in future, Discovery
 - Must be “Actionable Visibility” in order to deliver value



Business Use Cases for Visibility

Inventory Visibility

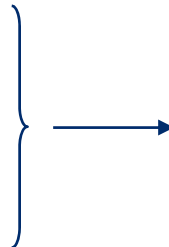
- Product Visibility
- Asset Visibility
- Recalls



Visibility enables **traceability** of products

Brand Protection

- Counterfeit
- Diversion, Gray Market
- Channel Management



Visibility enables **traceability** and **authentication** of products

Chain of Custody

- Track and Trace
- Electronic Pedigree



Visibility supplies the custody information for creating **authenticated chain of custody**



EPCglobal standards based implementation

Retail

- Wal Mart
 - RFID enabled stores 63% more efficient stock replenishment
 - 32% reduction in OOS
 - Roll out continues





EPCglobal standards based implementation

Retail

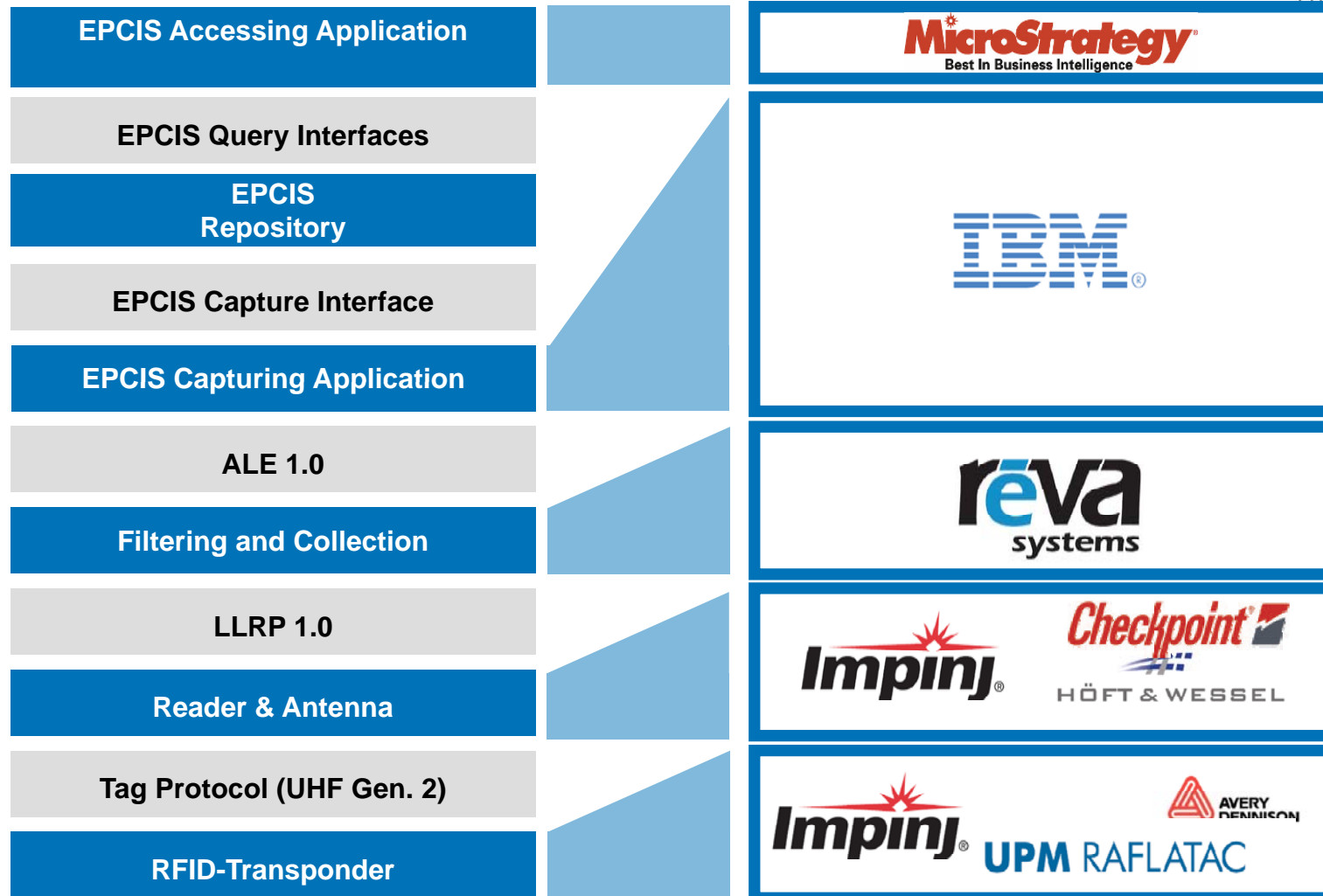
- Metro
 - Nearly all locations in Germany (9 DCs, 60 C&C, 250 Real)
 - 250 suppliers delivering tagged pallets
 - Future store
 - Galleria Kaufhof department store
 - Identify assets, location and items
 - Improved customer experience
 - Consumer notice
 - Electronic Article Surveillance
 - EPCglobal and GS1 standards used





METRO Group
Future Store Initiative

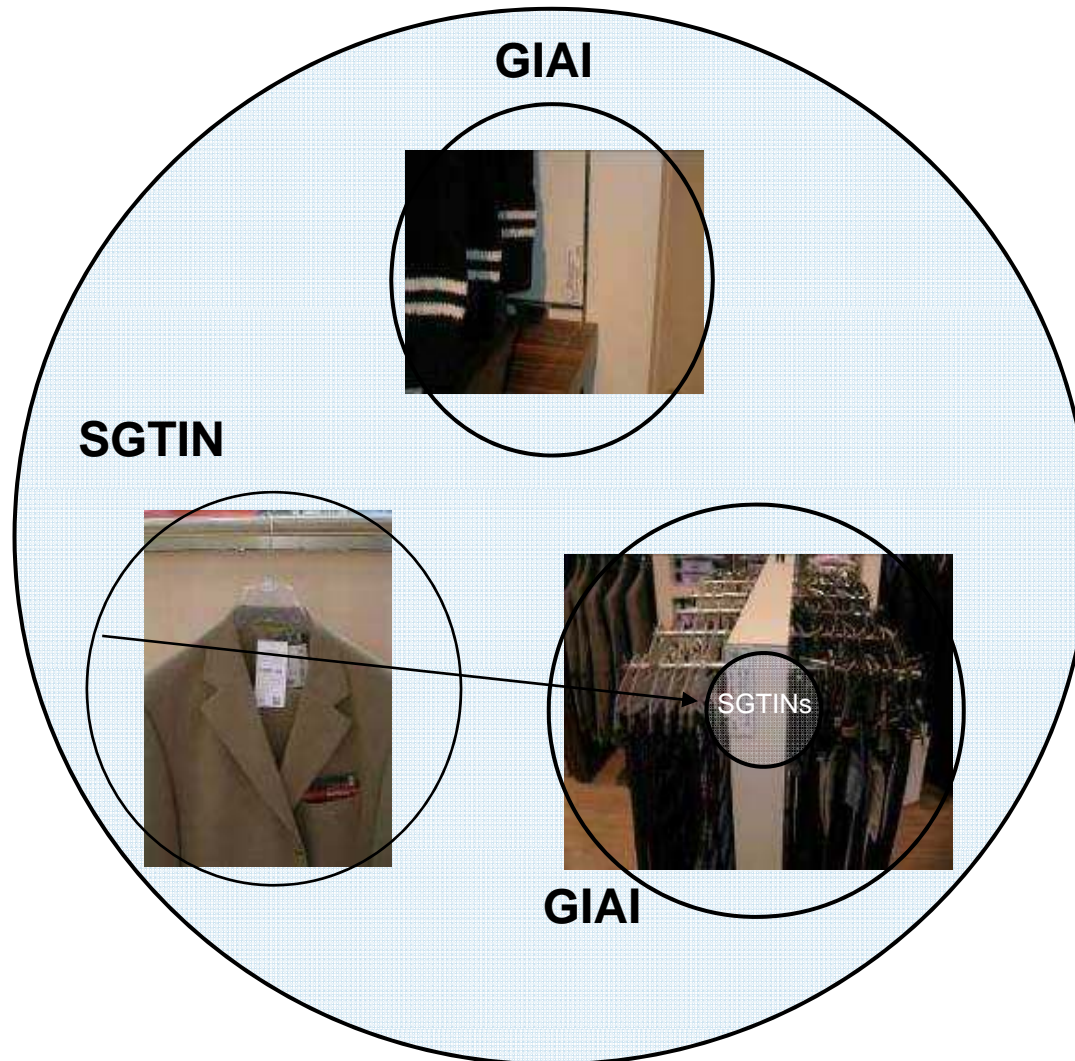
Use of all EPC ratified Standards



In Addition: Use of GS1 Standards



METRO Group
Future Store Initiative



SGLN



SGLN = Serialized Global Location
Number (**store**)

GIAI = Global Individual Asset
Identifier (**product carrier**)

SGTIN = Serialized Global Trade
Item Number (**article**)

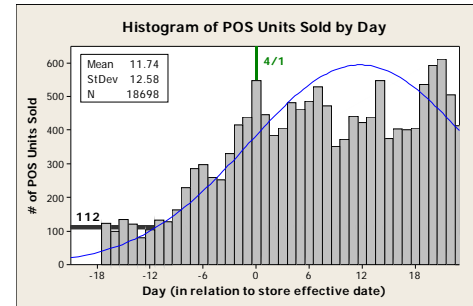


EPCglobal standards based implementation

- DHL
 - France – 6 DCs servicing 89 stores, 1.3 million pallets
 - Dry and beverage logistics
 - Accuracy, efficiency, claims reduction, productivity
- Lockheed Martin
 - Enterprise wide AIT application (2008-2011)
 - Extensive use of EPCglobal standards
- DoD
 - 5000+ supplier delivering tagged products
 - 20+ countries
 - 1500+ sites
 - 2500+ containers tracked per day
 - 180000+ tag reads per month

EPCglobal standards based implementation

- Johnson & Johnson
 - Promotions management



- High value inventory management – stents



- Orthopaedic implants



EPCglobal standards based implementation

- Apparel
 - Throttelman Portugal
 - Reception lead time – before 4.97 days, after <24hours
 - Stock reduction 60%
 - Taracci Sweden
 - Automatic checkout
 - Improved customer service
 - Capital reduction -20%
 - Electronic article surveillance
 - Inventory count (2000 items per store). From 24 hours to 5 mins



EPCglobal standards based implementation

- Apparel
 - Major retailer \$2.9 bn.
 - Shrink 4.7%, 135mm
 - Use of EPCIS to track product
 - Internal shrink 40% - reduced by 25%
 - External shrink 60% - reduced by 5%
 - Fraudulent returns – reduced by 10%
 - Other inventory and stock management benefits realised



Visibility summary

- EPCglobal and GS1 standards are enabling a level of visibility not previously available
- “Discovery” will complete the puzzle
- Visibility enables valuable use cases
 - From standards to business solutions and enablers of process transformation
- The practical reality will be the integration of multiple EPCglobal/GS1 standards across complex supply chains
- “Its all about visibility” - there are challenges but also a vast world of opportunity....